1   THE COURT: All right.

2   Q   Dr. Weaver, this platform technology foundation, the

3   yellow box that has the Lawson Software foundation, you are

4   aware that Lawson sells other, what they call a suite of

5   business solutions for doing financial accounting, things like

6   that, human resource, business processing; correct?

7   A   Yes, I saw that in their documents.

8   Q   Those software modules, can they also sit on this platform

9   technology foundation?

10   A   Yes, they can.

11   Q   By adding additional applications to this platform

12   technology foundation, does that avoid infringement in your

13   opinion?

14   A   It does not.

15   Q   Is that consistent with your opinion that by adding

16   functionality, you can't avoid infringement if at least you

17   have the claimed functionality that is satisfied by the

18   elements at issue in the claim?

19   A   For any claim, if you have all the elements of a claim,

20   adding additional functionality does not change the

21   infringement picture.

22   Q   If we widen this platform technology a little bit and on

23   top of it we put human resource, the software module, we put

24   the financial accounting module and some other kind of module,

25   adding those other modules wouldn't avoid infringement if we

1 had, in this instance at least, the yellow box and the blue

2 box; right?

3 A   That's correct.

4 Q   Even if we had those other modules and we had the yellow

5 box, the blue box, the green box, the brown box, and the purple

6 box, and four other boxes sitting on the platform, would that

7 still be an infringing configuration?

8 A   This is an infringing configuration. So is this, so is

9 this, so is this. So adding more to that doesn't change that

10 picture.

11 Q   At a minimum, just so we're clear again, we need the blue

12 and the yellow.

13 A   That's the minimum.

14 Q   Would you take a look at binder five. This is going to be

15 Plaintiff's Exhibit Number 211. Can you tell us what this is?

16 A   This is the Lawson Punchout -- the procurement Punchout

17 installation guide that's going to tell you how to install this

18 Punchout application.

19 Q   And when was this published?

20 A   This was May 2008.

21 Q   Why don't we go to the page that is bar-coded by page ten,

22 but it is Bates labeled 4788 called installation overview.

23 A   Okay.

24 Q   And do you see there, there are system requirements

25 identified?

1   A   I do.

2   Q   And under system requirements, it says, listed below are

3   the software requirements for running Lawson procurement

4   Punchout. These requirements must be met before you begin

5   installing. Do you see that?

6   A   Yes.

7   Q   What are the components, the Lawson server requirements

8   for the Lawson procurement Punchout module?

9   A   It's the S3 Lawson system foundation, server applications,

10 and process flow designer.

11 Q   Is that consistent with your build there, that

12 demonstrative you had as to what were some of the foundational

13 software requirements?

14 A   Yes.

15 Q   Also, it says, Lawson procurement Punchout server

16 requirements. Do you see that as well?

17 A   I do.

18 Q   What is the additional component there that's required in

19 order to be able to install Lawson procurement Punchout?

20 A   You must have the Lawson requisition self-service.

21 Q   And, so, is that consistent with the illustration you had

22 for us?

23 A   Certainly is.

24 Q   Can you turn to the page that is actually -- the barcode

25 at page 12 has the Bates label that ends 4790, Exhibit 211.

1   What is being illustrated -- first, what's it entitled?

2   A   The Lawson procurement Punchout network architecture

3   example.

4   Q   And can you help tell us what this is illustrating?

5   A   This is complex. This is going to illustrate the

6   communications flow as one moves from a Lawson system through

7   the Punchout process into an external vendor's website with

8   catalog and database and so on.

9   It's going to explain how we get there and then how we get

10   back carrying with us whatever items have been added to the

11   shopping cart at the external vendor and then how that shopping

12   cart gets loaded into the Lawson shopping cart.

13   Q   Are we going to see this in one of your demonstrations?

14   A   We are.

15   Q   So that would probably be the best way to understand this

16   complex process?

17   A   Well, this is the way you understand the communications

18   flow. You will simply observe it in the demonstration.

19   Q   Next exhibit is going to be PX-97, Dr. Weaver. It's in

20   binder one. Do you have it, Doctor?

21   A   I do.

22   Q   What is this document?

23   A   This is the requisitions user guide, so this one is going

24   to tell us how to use the requisition module.

25   Q   Is that one of the modules that was in your illustration?

1   A   It was.

2   Q   Does Lawson provide this guide to its customers?

3   A   It does.

4   Q   Let's go to the page then, barcode 11, which is Bates

5   label 1108?

6   A   Okay.

7   Q   And at the top, it says overview of requisitions?

8   A   Right.

9   Q   What significance on this overview of requisitions would

10   you like to show the jury?

11   A   That first paragraph that explains that the Lawson

12   requisitions application lets you create requests with demand

13   on stock and demand on vendors, replenish cart par locations,

14   and process and manage requisitions. So we're going to be

15   interested in that demand on vendors and managing requisitions.

16   Q   What next of significant on this page would you like to

17   point out to the jury?

18   A   We move down here to creating requisitions. When you

19   create a requisition, you request items from inventory or from

20   vendors. The requisitions application provides different

21   methods for creating requisitions that allow you to customize

22   the requesting process to suit your business needs.

23   Q   So what is Lawson telling us here with respect to creating

24   requisitions --

25   A   Sorry. That confirms that Lawson is able to create a

1   requisition to request items from vendors.

2   Q   Under the heading processing requisitions, what, if

3   anything, would you like to point out to the jury?

4   A   The first paragraph here, and then its continuation on the

5   next page, the approval process places monetary limits on the

6   amount a requester can request. The requisitions application

7   provides options for an approver to authorize, reject, or

8   un-release for requisition.

9   Moving on to the next page at the end of the first line,

10   purchase orders are created from requisitions in the purchase

11   order application to fill demand on vendors.

12   Q   And what is Lawson indicating here is the capability of

13   this requisitions module?

14   A   So it's confirming that the requisitions module has to be

15   integrated with the purchase order module if we're going to be

16   able to use it to create purchase orders. Actually do -- yes,

17   to process requisitions into purchase orders.

18   Q   Can we go on to the next page, Bates labeled -- that is

19   barcoded 13 and ends with the Bates label 110. It says at the

20   top, how requisitions integrates with other applications. This

21   section explains how the requisitions application interfaces

22   with other Lawson applications. What of interest to the jury

23   would you like to point out here?

24   A   That here in the diagram, we have -- so we have

25   requisitions sitting in the middle of this -- this is a

1   software architecture explaining how these modules interact

2   with each other and how information flow goes from module to

3   module, and we're going to be interested in the interaction

4   between the requisition and the inventory control and,

5   likewise, the requisition and the purchase order.

6   Q   There are bidirectional and unidirectional arrows which

7   you mentioned earlier. Can you tell us what your understanding

8   is they are illustrating?

9   A   Sure. Inventory control is providing information to the

10   requisition module. Requisition is exchanging information in

11   both directions with purchase order.

12   Q   Is there anything else of interest you want to point out

13   on that page?

14   A   That's it.

15   MR. ROBERTSON: Can we go to the next page which is

16   Bates labeled 111.

17   Q   What, if any, interest on this page would you like to

18   inform the jury about?

19   A   In the inventory control description, it says that the

20   requisitions application receives item information from the

21   inventory control application. Now, that was that

22   unidirectional arrow that we just saw. The item numbers and

23   descriptions used by requisitions are stored in the inventory

24   control application. So it needs that information.

25   Q   And item numbers in description, are they the item numbers

1   in the description of products that are available?

2   A   Yes.   Products that are being requested, being

3   requisitioned.

4   Q   Under the heading purchase order, what is Lawson telling

5   us there as to the capability of the requisitions application

6   interacting with the purchase order application, the module?

7   A   It says that the requisitions application sends order

8   requests for goods or services to the purchase order

9   application.   Purchase orders can then be created automatically

10   to fill the order.   The requisition application receives item

11   costs from price agreements defined in purchase order, and

12   that's why we had the bidirectional arrow between requisitions

13   and purchase order.   Information flows both ways.

14   Q   Can you turn to the next page of Exhibit 97 which ends

15   with Bates label 112, and there's a heading there, process

16   flow.   What is Lawson indicating about the functionality of the

17   requisition module here with respect to process flow?

18   A   It says that the requisitions application sends a request

19   for service to the Lawson process flow application.   The

20   predefined services for the requisitions application are the

21   requisitions approval service and the rush item processing

22   service.   So this says that the process control application has

23   to be integrated with requisitions if we're going to be able to

24   support the approval mechanism.

25   Q   If you'll turn now to page 63, barcode -- or the Bates

1   label ending 160, the page at the top says what is a price

2   agreement. Do you see that?

3   A   I do.

4   Q   Do you have an understanding as to what a price agreement

5   is?

6   A   Yes.

7   Q   How does Lawson define price agreement here?

8   A   A price agreement is a pricing tool set up in the purchase

9   order application that provides the item costs which is the

10   unit cost for purchase order and requisition lines.

11   Q   What, if any, significance does that have to this case?

12   A   Well, it's telling us here that -- excuse me -- that the

13   customer needs to set up this price agreement with the vendor

14   so that the vendor can electronically say what the cost of the

15   items is going to be.

16   Q   Does this relate to the testimony earlier you had as to

17   what the vendor price agreements were?

18   A   Yes, it does.

19   Q   Lawson also references here a catalog or quote price

20   agreement?

21   A   Yes.

22   Q   What significance does that have to your opinions?

23   A   This says that a catalog or quote price agreement is a

24   list of items and unit costs supplied by a vendor. You can set

25   up the cost defaulting structure at the company level to

1 reference catalog prices when creating either a purchase order

2 or a requisition. For example, your company must have a

3 catalog price agreement for -- excuse me. For example, your

4 company might have a catalog price agreement for office

5 supplies. This is again confirming that you get your prices

6 from a catalog or a quote price agreement.

7 Q   So is this consistent with your understanding of the

8 functionality of the requisition module?

9 A   Yes.

10 Q   So how are these catalogs and vendor price agreements

11 relevant to the patent claims?

12 A   They are relevant because the source of information is

13 coming from the vendor, and then there are tools that load this

14 into the Lawson purchase order application.

15 Q   In that same binder, Doctor, I'd like you to turn to

16 Plaintiff's Exhibit 108. Tell us what this is.

17 A   So this is the purchase order user guide that's going to

18 explain to us how to set up and use the purchase order

19 application.

20 Q   What is the date that this was published?

21 A   This is November 2008.

22 Q   This purchase order software program or module, was that

23 one of the modules that you said were necessary to the

24 infringing system?

25 A   Right. We saw it in my blue box.

1   Q   Let's turn to the page that has the barcode 12 which is

2   Bates labeled ending 030.

3   A   Right.

4   Q   And there's a heading there, how purchase order integrates

5   with other applications.

6   A   Right.

7   Q   What does it say there?

8   A   This section explains how the Lawson purchase order

9   application integrates with other Lawson applications.

10   Q   Let's turn to the next page, if we could. There's a

11   similar configuration that we saw with the requisitions guide;

12   do you recall that?

13   A   I do.

14   Q   Although at this point, the purchase order module is at

15   the middle of this diagram; is that right?

16   A   Right. Since we're now talking about the purchase order

17   in this diagram, it has become the center of attention.

18   Q   Is it still communicating with the requisitions module?

19   A   It sure is. You see the bidirectional arrow there. So in

20   that previous diagram, these two circles were reversed, but the

21   communication is the same.

22   Q   If we could turn to the next page, sir, which ends with

23   the Bates label 032.

24   A   Sure.

25   Q   There's a heading for requisitions. Do you see that?

1   A   I do.

2   Q   What, if any, relevance does that have to your opinions?

3   A   So the purchase order application receives order requests

4   for goods or services from the Lawson requisitions application.

5   Purchase orders can then be created automatically to fill the

6   requisition.

7   Q   Did you rely on this in rendering your opinions with

8   respect to infringement?

9   A   I did.

10   Q   Can you turn to the page of Plaintiff's Exhibit Number 108

11   that is Bates labeled 43 and ends -- excuse me, barcoded 43 and

12   ends with the Bates label 061.

13   A   Okay.

14   Q   What does it say a vendor item is there?

15   A   Here at the top, a vendor item links an item master

16   record, and that contains nonstock or inventory item records,

17   to a specific vendor, so each item in the item master record --

18   so this is the database of items -- is linked to a vendor table

19   in order for you to know who the vendor is for each item.

20   Q   So that vendor table, does that associate that item with

21   the specific vendor that's offering that item?

22   A   It does.

23   Q   Is this how the purchase order module performs that?

24   A   That's how the purchase order module knows when it gets

25   the requisitioned item, and it looks that up in the item master

1   table what vendor supplies that so it knows who to write the

2   purchase order to.

3   Q   Turn to the Bates label page 68 of this exhibit which ends

4   with the Bates number 086, and there's a heading that says what

5   is a vendor agreement?

6   A   Yes.

7   Q   And you had mentioned vendor agreements before, I believe.

8   A   I did.

9   Q   What does it say here with respect to vendor agreements?

10   A   In that first sentence it says that the vendor price

11   agreement, also referred to as a vendor agreement, provides the

12   item cost for purchase orders and requisitions.

13   Q   And so who is providing this item costs?

14   A   These are all coming from the vendor.

15   Q   Why don't we turn to the barcoded page 87 of this

16   document, and this chapter five of Plaintiff's Exhibit

17   Number 108. The purchase order user guide has a heading here

18   called importing vendor agreements. Do you see that?

19   A   I do.

20   Q   What should we be focusing on here?

21   A   It would be the second paragraph.

22   Q   Can you highlight that and blow it up, please.

23   A   The vendor agreement import process lets you automatically

24   load vendor price information and create item master and

25   purchase order vendor item records. The data you import can be

1   a vendor catalog which contains information about all the items

2   a vendor carries, or it can be items that are included in a

3   specially negotiated contract between a vendor and a single

4   customer or a group purchasing organization.

5   Q   So what is Lawson telling us here with respect to this

6   purchase order module and its ability to import a vendor

7   catalog which contains information about all of the items a

8   vendor carries, or paraphrasing, some subset of items that are

9   specially negotiated between the vendor and a single customer

10   and a purchasing order --

11   A   Which is telling us Lawson provides software that will

12   load the vendor price agreement into its database and populate

13   the item master and the vendor table.

14   Q   And does that include data from a vendor catalog?

15   A   Yes, it does. That's what it is.

16   Q   And is that capability, that functionality of this

17   purchase order module relevant to your opinions with respect to

18   the claims asserted here?

19   A   Yes, it is.

20   Q   How is that?

21   A   Because Lawson is providing a program that can load the

22   master database with these vendor price agreements, so

23   obviously they intend to do that.

24   Q   Let me go to Plaintiff's Exhibit -- let me stay on the

25   same exhibit, Plaintiff's Exhibit 108, sorry, same purchase

1   order guide. Now I want to go to barcode 143 that ends with

2   the Bates label 161. This is chapter eight on the purchase

3   order installation guide, and it indicates creating purchase

4   orders from order requests. What are we going to see here, Dr.

5   Weaver?

6   A   So this is talking about requisitions, and that first

7   paragraph says, this chapter shows you how to create purchase

8   orders from order requests that originated in another Lawson

9   application.

10   Q   Is one of those other Lawson applications the requisitions

11   applications?

12   A   Yes, that's the one we're focussed on.

13   Q   Can we turn to the next page of Plaintiff's Exhibit 108.

14   That last question, my colleague reminds me I overlooked

15   something, and that is page 88.

16   MR. McDONALD: Your Honor, excuse me. Our copy of

17   the exhibit ends at page 92. Do you have an extra copy of this

18   Exhibit 108 handy?

19   MR. ROBERTSON: I apologize. Let me see if perhaps I

20   can move on and we'll circle back, Your Honor. To the rescue.

21   I'm sorry, sir. I'll wait until you get to page 88

22   at the bottom. It's Bates labeled 106.

23   Q   So forgive me, Doctor. I'm not sure if I asked you this,

24   but under this, how does the vendor agreement import process

25   work? Second paragraph where it begins each item, can you tell

 1   us what we should be focused on there that might be relevant to

 2   your opinions?

 3   A   The first couple of sentences of that third paragraph.

 4   Each item record in the vendor file must contain a vendor item

 5   number, a unit of measure, and a unit price. The file can

 6   contain all items from a vendor's catalog or only specific

 7   items that were included in a negotiated contract.

 8   Q   If we can just go to the glossary of terms for a moment

 9   that the Judge construed for a catalog. Are you with me on

10   that?

11   A   Yes, I am.

12   Q   Are some of the things that the Court indicated would be

13   in an organized collection of items and associated information

14   could preferably include, are some of those things included in

15   this vendor agreement that is identified in this chapter?

16   A   Yes. The vendor item number corresponds to the part

17   number, the unit of measure, and the unit price is the price

18   here.

19   Q   Now, if we could go to page 143, and here you were talking

20   about creating purchase orders from the order requests for

21   requisitions, and if we can go to the next page, 144, it says,

22   what is an order request?

23   A   This is a requisition.

24   Q   Okay. What should we be focusing on here on this page of

25   Plaintiff's Exhibit Number 108 that's of relevance to your

1 opinion?

2 A   The first two paragraphs. An order request is a file that

3 contains a request for items or services. Order requests can

4 originate from inventory control, requisitions, case carts, and

5 order entry applications. When the purchase order application

6 receives order requests from other applications, it stores the

7 requests in an interface file. You initiate the purchase --

8 sorry. You initiate the creation of purchase orders with one

9 of two programs in the purchase order application. Purchase

10 order interface from Lawson applications -- and that's program

11 PO 100 that we'll see later -- and purchase order worksheet, PO

12 23. So we're concerned here with the order requests that

13 origination from the requisitions application.

14 Q   So how does this purchase order interface from Lawson's

15 application program PO 100 work?

16 A   That's explained in the third paragraph.

17   MR. ROBERTSON: Can you highlight that?

18 A   The purchase order interface from Lawson's application,

19 that's the PO 100 program, searches the interface file for

20 order requests containing all required information and then

21 creates purchase orders automatically. In order to

22 automatically process purchase orders, order request must

23 contain a vendor, a buyer code, a cost source, and a requested

24 delivery date.

25 Q   What are the interfaces here being referenced if you know?

1   A   So between the purchase order and the requisitions -- we

2   saw those as two circles with the arrow between them. As they

3   exchange information, they're going to do it in what we call

4   asynchronously meaning they are not aligned in time.

5   The purchase order interface goes out and looks for work

6   to do, and if it finds a requisition in a file that needs to be

7   created into purchase orders, it gets that file, reads it, and

8   processes it.

9   So the significance that we're going to see when we do the

10   demonstration is that you will see a delay as we create a

11   requisition, and then we have to have another step to create

12   the purchase order. But you will see that.

13   Q   Why is it necessary, though, that a requisition include a

14   vendor?

15   A   Oh, well, how would you know who you are going to buy it

16   from if you didn't have a vendor?

17   Q   Can we go to page 155 of this exhibit, and it ends with

18   Bates label 173, and it's referencing here using EDI to issue

19   purchase orders. What significance in this page of Exhibit 108

20   would you like to point out to the jury?

21   A   We'll start with the first three paragraphs. EDI is the

22   paperless exchange of documents between trading partners.

23   Companies that use Lawson's EDI capability can communicate

24   instantly with suppliers and vendors. Data is transmitted from

25   one company's computer to another electronically.

1   The basic transaction for all EDI purchasing is the

2   electronic purchase order. With electronic purchase orders,

3   EDI users can order materials from vendors electronically.

4   After receiving a purchase order, the vendor returns a detailed

5   purchase order acknowledgment to the client. This

6   acknowledgment summarizes the information on the purchase order

7   and validates the order's authenticity.

8   Q   What, if any, relevance does that have to your opinions,

9   Doctor?

10   A   Well, what we are going to see is that every purchase

11   order that goes out through EDI, called a PO 850 transaction,

12   EDI 850 transaction is going to generate a response, the

13   purchase order acknowledgment which is EDI 855, and that's

14   where there is the opportunity for the supplier to tell the

15   customer whether or not the order can be filled and whether or

16   not the items that are being ordered are available in

17   inventory.

18   Q   This availability in inventory, is that of relevance to

19   the claims that are being asserted here?

20   A   Yes, it is.

21   Q   There's a heading called using internet email to issue

22   purchase orders?

23   A   Right.

24   Q   How does Lawson indicate this process works?

25   A   So this first paragraph under that heading says, purchase

1   orders can be issued to vendors using internet email. This

2   kind of issue method is possible by using Lawson procurement

3   Punchout or another third-party tool that's capable of email

4   delivery. With Lawson procurement Punchout, you also need

5   Lawson requisition self service to get the PO dispatcher or

6   sweeper.

7   Q   So is that consistent with your diagram earlier in which

8   you need requisition self service to support the Punchout

9   capability?

10   A   That's correct.

11   Q   Is there a description on this page of Plaintiff's Exhibit

12   Number 108 that explains how the procurement Punchout

13   application works?

14   A   Yes, it's the next paragraph below. So Lawson procurement

15   Punchout lets users of Lawson requisition self service order

16   supplies from a specific vendor's website. With Lawson

17   procurement Punchout, a vendor page is linked to a shopping

18   icon, called a Punchout, on the Lawson requisition self service

19   home page.

20   When the user chooses a specified vendor, that vendor's

21   website catalog appears. From this catalog, Lawson requisition

22   self service users can choose items to order. By separate

23   agreement between the customer and the vendor, the vendor

24   displays the customer's special cost information for catalog

25   items and can limit the catalog items that are displayed.

1   When users have filled their shopping carts and checked

2   out from the vendor website, the chosen items and their cost

3   are returned to the Lawson server where a requisition is

4   created using the Lawson requisition self service application.

5   A purchase order is then created from the requisition.

6   After the requisition is interfaced into the purchase

7   order application, the Lawson procurement Punchout enables the

8   transmission of purchase order documentation back to the vendor

9   so that the vendor can fill the order.

10   Q   Now, you talked about this Punchout capability a little

11   bit before, but, again, just since that was a lot of

12   information to take in, can you give us a high overview of what

13   is actually the functionality that's going on here --

14   A   Yes.

15   Q   -- that's being performed by the Lawson procurement

16   Punchout module?

17   A   Right. So we had that complicated diagram that we

18   essentially skipped, but what it was documenting was the data

19   transfers. So when the Lawson system punches out to this

20   special vendor website that has been created for this

21   particular customer, it first has to have a handshake. By that

22   I mean that information is transmitted in both directions where

23   the Lawson application and the vendor website authenticate each

24   other so that they know that they are valid. So they exchange

25   some secret information. That's how they authenticate.

1   So after that security handshake, then the user is given

2   access to the specialized external website, can browse, can

3   search, can put items in a shopping cart, and then when the

4   shopping session is over, the user can click check out, and the

5   information in that external vendor's shopping cart is returned

6   to the RSS module.

7   Q   The RSS module being?

8   A   Requisition self service. Thank you. And so now we know

9   from there -- from that returned information we know the

10   vendor, we know the cost, we know the availability, and then

11   within the requisition self service module, we can now turn it

12   into a requisition and then a purchase order, and then using

13   EDI or email, that purchase order can then be sent to the

14   vendor.

15   Q   Now, you mentioned requisition self service when we were

16   talking about the Punchout capability. Before in your diagram

17   as to how these various modules needed to be configured, did

18   Punchout procurement need to sit on top of requisition self

19   service?

20   A   Yes. We just saw documentation saying that's how it had

21   to be configured.

22

23   (Discussion off the record.)

24

25   MR. ROBERTSON: Thank you for the brief indulgence.

1   Q   Can we go to page 158 of that exhibit. At the top is the

2   PO acknowledgment report. What is a PO acknowledgment report?

3   Can you tell the jury what, if any, significance this page has

4   to your opinions in the case?

5   A   First paragraph and the first two bullets. Let's

6   highlight those. So the PO acknowledgement report is a

7   combined summary and exception report that lists processed

8   purchase orders. If there is an error processing a purchase

9   order or differences between a purchase order and the

10   acknowledgment, there will be message lines under the purchase

11   order identifying the error or the difference. Examples of

12   errors and differences listed include the item is rejected, the

13   item is on backorder.

14   So those are examples of errors that might occur when the

15   purchase order is sent. It may be the testimony is not

16   available anymore. The purchase order acknowledgment can tell

17   the RSS system that that's the case so the user is informed.

18   Q   So communication back to the user that the item might be

19   on backorder, is that of any relevance that this requisition

20   self service and Punchout capability, Punchout module has this

21   capability?

22   A   Yes, because if you'll recall, one of the claims had as

23   its last element the determining of whether or not an item was

24   available in inventory. So this is a mechanism that makes that

25   possible.

1   Q   I'd like you to turn to Plaintiff's Exhibit Number 112

2   which is in binder two, Dr. Weaver, if you would. And can you

3   tell us, what is that document, sir?

4   A   The inventory control user guide that is going to explain

5   to us how this module seen in my demonstrative, how this module

6   works.

7   Q   What is the date of this document?

8   A   November of 2008.

9   Q   Are you familiar with the document?

10   A   Yes, I've read it.

11   Q   And did you review it for purposes of rendering your

12   opinions?

13   A   I did.

14   Q   Why don't we turn to the page that has the barcode 13 and

15   the Bates label 261. And this is chapter one, overview of

16   inventory control?

17   A   Right.

18   Q   What would you like to point out to the jury with respect

19   to this inventory control module?

20   A   The first paragraph.

21   Q   Okay.

22   A   The Lawson inventory control application lets you define

23   items and manage inventory. The application receives items

24   that you purchase from a vendor or replenish from another

25   location and moves out items by issue, transfer, or allocation.

1   So this is telling us that the item master is the central

2   table of the database that contains a list of all of the items

3   that are available.

4   Q   So what component is used to define these to define those

5   items and manage the inventory?

6   A   That's item master.

7   Q   Let's look at page 31 of Exhibit 112.   This is entitled

8   setting up purchase order?

9   A   Right.

10   Q   If a system wants, a system user wants to be able to

11   purchase items from vendors, what does Lawson indicate that the

12   inventory control module, how it must operate with any other

13   applications?

14   A   Well, in the very first paragraph, it says, if you

15   purchase inventory from vendors, you must set up the purchase

16   order application.   And then you can see below it, there's a

17   series of steps of how to set up purchase orders.

18   Q   Is that consistent with your diagram that showed the

19   foundational building blocks for an infringing system?

20   A   Yes.

21   Q   That was part of the blue block that was above the Lawson

22   platform, the yellow block?

23   A   So inventory control must be integrated with the purchase

24   order.   Those two modules were on the same level in the blue

25   box.

1 Q   Can we go to barcode -- page 70 in this document. If I

2 can find it myself. The Bates number ends with 318.

3   MR. McDONALD: Your Honor, I hate to interrupt. Our

4 Exhibit 112 ends at page 64 of the 301.

5   MR. ROBERTSON: Mr. McDonald, what page does it end

6 in?

7   MR. McDONALD: My version ends at page 64.

8 Q   So we were at page 70 in Plaintiff's Exhibit 112 at the

9 Bates label that ended 318. And you just referenced this item

10 master, and in this document, this Lawson document says what is

11 an item master. What does Lawson tell us as to how it defines

12 an item master?

13 A   In the first sentence it says, an item master is a file

14 which holds information about an item regardless of where that

15 item is used.

16 Q   So what, if any, relevance does that have to the opinions

17 you're going to be offering in this case?

18 A   Well, it confirms that the item master is going to be

19 utilized by requisitions and by purchase orders and that it is

20 the central repository where most of the vendor data lies.

21 Q   And can this item master data store both stock and

22 nonstock items?

23 A   Yes, both.

24 Q   By nonstock items, what do you mean by that?

25 A   Those are items that would be ordered from an external

1   vendor.

2   Q   What information about the items is maintained in the item

3   master?

4   A   So that would be things like item number, the item

5   description, the unit of measure, the cost, the vendor name,

6   and other attributes that the user can define. So there's a

7   set of things that must be there like vendor name and cost and

8   unit of measure, and there's also, as we're going to see later,

9   there's some user defined fields so the user can put in

10   information that the user thinks is important about the

11   particular item.

12   Q   Did it also have commodity and classifications codes?

13   A   Oh, that's right, it can. There's special place for

14   UNSPSC codes, and there's programs to load that information.

15   Q   Refresh the jury, if you would again, on what a commodity

16   classification code is at a high level, if you would?

17   A   Yes. So using these UNSPSC codes, these are eight-digit

18   codes. When you use all eight digits, it is a classification

19   for items that are generally equivalent or substitutable. So

20   it's a way of finding similar items.

21   Q   So this various data points, data information that you

22   just identified, item number and item description and unit of

23   measure and pricing, are all those -- that type of data and

24   information consistent or inconsistent with the Court's

25   construction of an associated -- or, excuse me, organized

1   collection of items and associated information including

2   various things?

3   A   Consistent.

4   MR. McDONALD: I object to the characterization of

5   the Court's construction.

6   THE COURT: I didn't hear the last part.

7   MR. McDONALD: Maybe it would be helpful just to put

8   up the construction itself.

9   THE COURT: All right.

10   MR. ROBERTSON: Sure. Do you have glossary terms?

11 The jury has them.

12   THE COURT: The jury has them in the notebook.

13 Q   So let me --

14   THE COURT: What he objected to is you abbreviated

15 the term. Isn't that what your objection was?

16   MR. McDONALD: That is correct, Your Honor.

17   MR. ROBERTSON: I misunderstood. Let me go back

18 then.

19   THE COURT: That's all he's objecting to.

20   MR. ROBERTSON: Thank you for the clarification, Your

21 Honor.

22 Q   There's a catalog definition; correct?

23 A   Yes.

24 Q   You have it, and the jury has it. And it says it's an

25 organized collection of items and associated information

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1   published by a vendor which includes suppliers, manufacturers,

2   and distributors which preferably includes, and then there's a

3   number of specified things, part number, price, catalog number,

4   vendor name, vendor ID, a textual description of the item, and

5   images of or relating to the item. Do you understand that

6   that's the Court's construction?

7   A   Yes, I do.

8   Q   Is that consistent or inconsistent with the various item

9   data that can be included in the item master?

10   A   Consistent.

11   Q   The vendor cost information, is that contained in the

12   vendor item table in a purchase order module?

13   A   Yes.

14   Q   Are we going to see that at some point?

15   A   Yes.

16   Q   If we can, in the same exhibit, going back to barcode page

17   46, Bates label 294?

18   THE COURT: Excuse me just a minute. Are you saying

19   that in your view, item master fits the defined term catalog?

20   THE WITNESS: Yes, along with the vendor item table.

21   THE COURT: You mean you have to have the vendor item

22   table and the item master for it to be a catalog?

23   THE WITNESS: Yes, sir.

24   Q   Let me have PX-108 again. Let me just ask you a question,

25   Doctor, about this. Is a vendor associated with the item data

1   or items in the item master?

2   THE COURT REPORTER: I'm sorry, could you say that

3   again, please.

4   THE COURT: I agree. Thank you.

5   Q   Is a vendor associated with the item data for items in the

6   item master?

7   A   It is. The item number in the item master file serves as

8   a link to an entry in the vendor item table that identifies the

9   vendor. So once you have the item number, you have a link to

10   the description in the item master, all the fields that

11   describe the item, and that link also gets you the name of the

12   vendor and the vendor price agreement data out of the vendor

13   item table.

14   THE COURT: Is the item master and the vendor item

15   table, in your view, the only aspect of the Lawson systems that

16   are accused that meets the definition of catalog?

17   THE WITNESS: Yes, Your Honor.

18   THE COURT: All right.

19   Q   So together, the item master with the data that you

20   identified along with this vendor item table that identifies

21   the vendor together, it's your view that that constitutes a

22   catalog under the Court's construction?

23   A   That's correct.

24   Q   We also have this Punchout procurement system; correct?

25   A   We do.

1   Q   And you indicated there's this specialized website that

2   Lawson works with its Punchout partners to create such that

3   users of the Lawson system that have the Punchout procurement

4   module can go out to these special websites and purchase items;

5   is that right?

6   A   Yes.

7   Q   Do you have an opinion as to whether the catalog data

8   available at these Punchout partners that Lawson utilizes also

9   meets the definition of the Court's claim term catalog?

10   A   I believe they do, yes.

11   Q   We'll be coming back to that; is that right?

12   A   I'm sure we will.

13   THE COURT: Then your opinion of what in the Lawson

14   system infringes is not confined only to -- excuse me. Your

15   opinion of what in the Lawson system meets the Court's

16   definition of catalog is not confined to the item master plus

17   the vendor item table?

18   THE WITNESS: You are correct, Your Honor. The item

19   master and vendor item table would be an instance of a catalog

20   within the Lawson system. These Punchout catalogs are

21   external. They are an additional instance of catalogs.

22   Q   Okay. Why don't we go then to page 46 of Plaintiff's

23   Exhibit 112, and there's a heading there that says, what are

24   UNSPSC codes. You referenced those several times, so why don't

25   we see what Lawson has to say with respect to these codes.

1   A   So we've talked about these at a high level. It's really

2   time now to define them. So in these first two paragraphs of

3   this document, Lawson has incorporated the usage of UNSPSC

4   codes which is a standardized way of categorizing items that

5   people use in commerce.

6   The UNSPSC codes were developed by the United Nations in

7   association with Dunn & Bradstreet. The codes have four

8   levels: Segment, family, class, and commodity. These levels

9   create an item hierarchy and allows the user to search, for

10   each level, for items in the item master file.

11   Q   So there's an example here of this segment, family, class,

12   and commodity and a description using that. Can you tell us

13   then, so how do you employ these four levels to identify a

14   specific item?

15   A   Sure. So in this UNSPSC classification code, the four

16   levels, segment, family, class, and commodity, are each

17   represented by a two-digit number. So for the segment, for

18   example, the encodings could be 00 through 99. Each of those,

19   or most of those anyway, have been predefined to be a market

20   segment, segment meaning a large grouping of items, products,

21   and services.

22   If the encoding is 44, then you can see from the table

23   that's the general segment of office equipment. So if you did

24   a search for 44000000, you would be looking at items in office

25   equipment.

1   Now, that's a lot of items. So it's hierarchical. If you

2   add the family designation, two digits there, 00 to 99, you

3   narrow it down. So if the code is 4410, you've narrowed it

4   from office equipment to office machines. If the code is 4411,

5   you've narrowed it within office equipment down to computer

6   supplies.

7   So now let's take the example 4412 under office equipment.

8   We're now narrowing it to office supplies, but we can become

9   more specific by adding more digits. So if I add the two-digit

10   class, if I added 15, then I'm talking about the type of office

11   supplies that are mailing supplies; if the code is 16, writing

12   implements. So if my code so far is 441216, I'm talking about

13   writing implements.

14   If I go down to the commodity level, the full eight

15   digits, I get to a finer-grained description of items. So if

16   that commodity code is 01, it's mechanical pencils, 02 is black

17   stylus pens, 03 is black pens. So if I wanted to search for

18   black pens, I could put in the code 44121603, and what I would

19   get back is a listing of all of the black pens in the item

20   master database from all the vendors that have put item data

21   there.

22   Q   Now --

23   THE COURT: Put item data where?

24   THE WITNESS: That using vendor catalog load program

25   provided by Lawson, catalog items from the vendor has been put

1   into the item master and the vendor item table.

2   THE COURT: Are those the Punchout catalogs you

3   talked about?

4   THE WITNESS: No, sir.   Punchout catalogs remain

5   external.   This is -- as a setup to using the Lawson system, if

6   I, as a customer, want to do business with Staples, I, as the

7   customer, make a deal with Staples, and Staples has a vendor

8   price agreement.   I can load the vendor catalogs, Staples

9   catalog and the vendor price agreement, and that populates the

10   data in the item master and the vendor item table.   So now I

11   have an internal catalog.

12   THE COURT: In the Lawson system.

13   THE WITNESS: In the Lawson system.

14   THE COURT: Is that in the item master?

15   THE WITNESS: Yes, sir, item master and vendor item

16   table.

17   THE COURT: Suppose all you really need from

18   Staples -- you don't need the computers and you don't need the

19   printers and all of that.   What you really need are the office

20   supplies.   Can you just load the office supplies of the Staples

21   catalog into the Lawson system?

22   THE WITNESS: So in your agreement with Staples, your

23   agreement might say, I am only buying office supplies, and so

24   the specialized catalog that Staples provides to you only

25   contains office supply information.

1   THE COURT: Okay. Excuse me.

2   THE WITNESS: It's a specialized catalog in the sense

3   that it could be the full catalog, but it could be customized

4   for the individual user of the Lawson system.

5   THE COURT: Excuse me. Go ahead.

6   MR. ROBERTSON: Thank you, Your Honor.

7   Q   You mentioned before this inventory control application

8   which is part of sort of the base components in order to have

9   an infringing system; do you recall that?

10 A   That's right, one of the three modules in the blue box.

11 Q   Does Lawson have a program included in the inventory

12 control application that has the capability of importing these

13 kinds of UNSPSC codes?

14 A   They sure do.

15 Q   And that capability comes with that module right out of

16 the box?

17 A   Right out of the box.

18 Q   Why don't we go to page 63 of this same exhibit, and this

19 might speak to the Judge's question. Here we're addressing how

20 the loading of these UNSPSC codes are done into the inventory

21 control module. Do you see that?

22 A   I sure do.

23 Q   What does Lawson explain here concerning how these codes

24 are loaded?

25 A   In the first two sentences, if you use UNSPSC codes, this

1   procedure explains how to load the UNSPSC codes from a CSV

2   file. Now, CSV is computer vernacular for a comma-separated

3   value file. It's a common file format in the industry, and if

4   you are familiar with an Excel spreadsheet, that's how those

5   files are formatted.

6   So the second sentence, the codes can be attached to the

7   item master records to create an item hierarchy. So this

8   program that Lawson provides is called IC-516, inventory

9   control number 516, so it's a program that loads UNSPSC codes

10   and attaches them to the individual items in the item master.

11   Q   So if I have this capability that comes out of the box

12   with this inventory control module, which is one of the base

13   modules for the accused infringing system of Lawson, and I

14   utilize that, for example, I think for black pens that I've put

15   in my catalog from Staples, and black pens that I put in my

16   catalog available from Office Max, how can I use these codes to

17   perform any kind of functionality that might be relevant to the

18   claims that are being asserted in this case?

19   A   You could do a search of the item master database using a

20   UNSPSC code like the one we had for black pens. What's going

21   to come back from that search are all the items from all the

22   vendors that have labeled their items with that same UNSPSC

23   code. So in that instance, we would get all the black pens

24   from all the vendors in all the catalogs in the Lawson system.

25   Q   And when we get those results, what, if anything, can we

1   do with them that has relevance to the claims at issue in this

2   case?

3   A   All right, so having seen those, I might wish to order one

4   from Staples. Well, it might turn out that Staples is out of

5   stock. So by using that UNSPSC code, I can find another

6   equivalent item, and perhaps it is in stock in Office Max. So

7   I can use it for converting one item and its vendor, its

8   source, into another item and its source, it's vendor, those

9   items being generally equivalent.

10 Q   If you'd look at the glossary of terms, the Court's

11 defined converting data relating to a selected matching item

12 and associated source to an item in a different source; do you

13 see that?

14 A   I do.

15 Q   And his definition was, substituting data relating to a

16 selected matching item and an associated source to data

17 relating to an item in a different source.

18   With the capability of this UNSPSC coding system available

19 within the inventory control module, can someone utilizing that

20 hierarchical code perform this functionality?

21 A   Yes.

22   THE COURT: Mr. Robertson, is that a good place for

23 you to stop?

24   MR. ROBERTSON: If you'd like, Your Honor, yes.

25   THE COURT: My thinking was sometimes giving the

1   voice a rest makes it easier to avoid having a cough. You

2   can't help coughing, but maybe a little rest would help out.

3   Will that interrupt the flowing of what you are doing?

4   MR. ROBERTSON: This is good a stopping point.

5   There's going to be a demonstration coming up shortly, so I

6   didn't want to interrupt that in the middle.

7   THE COURT: We'll take a lunch recess now. Your

8   lunches are there. If you take your pads with you, and

9   we'll -- because the lawyers need to eat, too, and they don't

10   have the convenience of having it delivered to them quite as

11   conveniently as you do, we're going to take an hour for lunch.

12   All right.

13

14   (Luncheon recess.)

15   (Jury out.)

16

17   THE COURT: I guess you did have it delivered today

18   here.

19   MR. McDONALD: This is the first day, so we'll see if

20   it's there or not.

21   THE COURT: If you've got a problem and need some

22   time, let me know. We'll be in recess.

23

24   (Luncheon recess.)

25